

# HARRIS HEALTH SYSTEM

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## HARRIS HEALTH SYSTEM

### MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, December 1, 2016

Board Room – Administration Building

#### Members Present:

Mr. Elvin Franklin, Jr., Chair  
Ms. Daisy Stiner, Vice-Chair (9:15 a.m. arrival)  
Ms. Anne Clutterbuck, Secretary  
Ms. Carol Graebner  
Dr. Ewan Johnson  
Dr. Kimberly Monday  
Ms. Carolyn Truesdell

#### Members Absent:

Mr. Brandon Capetillo  
Mr. Lawrence Finder

#### Others Present:

Mr. George Masi, President & Chief Executive Officer  
Mr. Michael Norby, Executive Vice President & Chief Financial Officer  
Dr. Parikshet Babber, Executive Vice President & Chief Medical Officer  
Mr. Tim Tindle, Executive Vice President & Chief Information Officer  
Dr. Ericka Brown, Executive Vice President & Administrator, Ben Taub Hospital  
Dr. Michael Gardner, Executive Vice President & Administrator, Ambulatory Care Services  
Mr. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital  
Dr. Jose Garcia, General Director, Affiliated Medical Services  
Dr. Maya Suresh, Chair, Medical Executive Board  
Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson Hospital  
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital  
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services  
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office  
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing  
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office  
Mr. Paul Shanklin, Commissioner Jack Cagle's Office  
Administrative Staff  
Guests  
(Sign-in Sheets attached to permanent record)

#### I. Call to Order and Record of Attendance

Mr. Elvin Franklin, Jr., Chair, called the meeting to order at 9:06 a.m., and noted that a quorum was present. The attendance was recorded.

## II. Approval of the Minutes of Previous Meeting

### Motion 16.12-102

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve the minutes of the October 27, 2016 Board of Trustees meeting.

## III. Oath of Office

Mr. Franklin announced the appointment of Dr. Ewan Johnson to the Harris Health System Board of Trustees. Dr. Johnson presented an overview of his background and highlighted that he served his residency at The University of Texas Health Science Center at Houston (UTHealth – Houston) and Lyndon B. Johnson Hospital (LBJH). He stated that he looks forward to serving Harris Health in his role as a Board member.

## IV. Announcements / Special Presentations

- A. Special Announcement** – Mr. George Masi, President and Chief Executive Officer, introduced Dr. Renu Khator, Chancellor of the University of Houston System and President of the University of Houston (UH). Dr. Khator reported that there are 43,777 students enrolled at the UH main campus and 70,028 students enrolled in the UH System. She stated that 80% of the 15,000 students that UH graduates each year remain in the Houston area. Dr. Khator stated that over the past decade, UH gained awareness that the residents of the community surrounding the school's campus have limited access to healthcare services. She explained that UH considered how to utilize the university's resources to address these unmet healthcare needs. Dr. Khator announced that UH plans to build a \$50M college of medicine that will focus on training physicians and conducting research in the areas of primary care, preventative care, and mental health care. She reported that Texas currently ranks 47th out of fifty (50) states regarding the availability of primary care and that the shortage of primary care physicians is expected to increase. Dr. Khator explained that the UH medical school will be geared toward students who have an interest in primary care, that the school's dean and faculty will be specifically trained in primary care, and that the curriculum will be designed to ensure that students train in community-based facilities. She stated that the UH medical school students will provide healthcare to local families throughout their training period through interdisciplinary teams comprised of students from several programs such as nursing, physical therapy, pharmacy, social work, and clinical psychology. Dr. Khator predicted that UH's innovative medical school curriculum will result in a minimum of 50% of the students remaining in primary care upon graduation. She stated that UH will offer a more diverse, culturally comprehensive medical school experience for its students at a lower cost and in a shorter time frame. Dr. Khator also noted that UH will establish a center of excellence regarding research in health disparities and social and cultural determinants of health. She stated that the goals that UH aspires to achieve through its medical school align with the mission of Harris Health and that it would benefit both organizations to form a partnership whereby UH students would be permitted to train at Harris Health's community facilities.

Ms. Carolyn Truesdell inquired regarding the expected opening date for the UH medical school. Dr. Khator responded that the first class of thirty (30) students will be admitted in 2020. Ms. Carol Graebner inquired regarding how long other medical schools in the United States which focus on primary care have been in business and she inquired

regarding how many of the schools' graduates remain in primary care. Dr. Khator stated that the majority of the schools were created within the past ten (10) years and that 50% of graduates from Florida International University and Florida State University remain in primary care practices. Ms. Anne Clutterbuck inquired regarding which personalities are predisposed toward primary care. Dr. Khator responded that students who have a passion for community-oriented primary care tend to share the following characteristics: 1) older students, 2) students from lower socioeconomic backgrounds, 3) Hispanic students, 4) students who are entering medicine as a second career, and 5) students who are interested in community engagement.

**B. Special Recognition** – Dr. Carmel Dyer, Chief of Staff, LBJH, recognized Dr. Mike Liang, Surgery, LBJH; Dr. Glorimar Medina-Rivera, Medical Director, Ambulatory Surgical Center at LBJ (ASC at LBJ); and Dr. Susanna Spence, Radiology, LBJH, as the winners of the UTHHealth – Houston 2016 Fall Faculty Quality Competition. Each winner outlined how his or her project improved patient care through the following programs: 1) the utilization of preoperative rehabilitation measures to reduce surgical complications and improve patient outcomes, 2) the utilization of alternatives to intravenous acetaminophen to decrease pharmaceutical costs, and 3) the utilization of measures to decrease median patient wait times by forty-five (45) minutes per case. A summary of the faculty competition winners' projects is available in the permanent record.

## V. Hear from Citizens

Ms. Cynthia Cole, Executive Director, Local #1550 – AFSCME, American Federation of State, County, and Municipal Employees, announced that AFSCME will partner with other organizations in 2017 to ensure that Harris Health improves safety measures to protect its employees and to ensure that Harris Health employees are able to take leave under the Family Medical Leave Act without fear of retribution. She stated that Harris Health is inconsistent in the manner in which it applies disciplinary policies to management as opposed to employees in non-managerial positions. Ms. Cole requested that Harris Health improve employee wages and wage disparities. She explained that AFSCME has met with members of Harris Health's leadership team on past occasions but that these meetings have not resulted in satisfactory resolutions.

Ms. Alicia Reyes presented Harris Health with a portrait of Mr. Joseph Alton Hewitt, the first administrator of Ambulatory Care Services, which was formerly known as the Community Health Program. She delivered a brief overview of Mr. Hewitt's personal history and his friendship with Mr. Ben Taub, which led to Mr. Hewitt's employment at Jefferson Davis Hospital in 1960. Ms. Reyes stated that Mr. Hewitt worked to make healthcare more accessible to patients in the communities where they lived and that he collaborated with community leaders across Harris County to generate support for a decentralized healthcare system. She reported that Mr. Hewitt's efforts resulted in the establishment of the Settegast, Baytown, Acres Homes, Gulfgate, Northwest, Strawberry, Casa de Amigos, and Martin Luther King, Jr. Health Centers. Ms. Reyes stated that Harris Health currently offers more than forty (40) access points for healthcare in the community as a result of Mr. Hewitt's endeavors.

## **X. Strategic Discussion Issues (Agenda Item X.A. was taken out of order)**

### **A. Harris Health System Legislative Initiatives**

1. Update, Discussion and Possible Action Regarding Policy Issues Affecting Harris Health System Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 85<sup>th</sup> Legislative Session, and the Harris Health System Legislative Platform.

Mr. R. King Hiller, Vice President, Public Policy and Government Relations, led the discussion regarding activities in Austin relating to legislative/regulatory issues impacting Harris Health System. He stated that the new legislative session will begin January 10, 2017. Mr. Hillier reported that the Texas Department of Public Safety Driver Responsibility Program will not be wholly repealed and that he will continue to collaborate with Congressional leaders to maintain a certain level of trauma funding. He stated that Senator Paul Bettencourt filed Senate Bill 2, the Texas Property Tax Reform and Relief Act of 2017, which is a property tax reform bill that recommends the utilization of automatic elections to ratify tax increases above 4% of the effective tax rate. Mr. Hillier announced that the regulation mandating the burial of aborted or miscarried fetal remains will go into effect December 19, 2016.

2. Update, Discussion and Possible Action Regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System.

Mr. Hillier led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. Mr. Hillier stated that public policy shifts will occur because of the November 2016 election outcomes, which resulted in Republican control of the Congress and the presidency. He forecasted that following President-elect Trump's inauguration on January 20, 2017, Congress will move to repeal and defund provisions of the Affordable Care Act (ACA) over a 24- to 36-month period. Mr. Hillier announced that U.S. Representative Thomas Price was nominated as the new Secretary of the U.S. Department of Health and Human Services. Mr. Hillier explained that while Rep. Price understands the importance of public hospitals, he opposes the ACA and is in favor of replacing federal subsidies for healthcare with tax credits. He announced that Ms. Seema Verma was nominated as the new administrator of the Centers for Medicare & Medicaid Services (CMS) and that Ms. Verma collaborated with Governor Michael Pence to create Healthy Indiana 2.0, a Medicaid expansion alternative for Indiana.

Mr. Hillier stated that negotiations are ongoing between CMS and the Texas Health and Human Services Commission (HHSC) regarding a renewal of the Medicaid 1115 Waiver and he anticipated that an extension of the waiver may be granted until December 2018 instead of December 2017. Ms. Graebner inquired whether Harris Health has developed a replacement plan for the ACA that would benefit Harris Health and other similarly-situated hospital systems. Mr. Hillier stated that Harris Health will collaborate with members of the Texas Congressional delegation, the Texas Hospital Association, and America's Essential Hospitals to advance Harris Health's policies regarding supplemental payments, uncompensated care, 1115 Waiver renegotiation, targeted disproportionate share, increased incentives for providing

uninsured care, and funding for undocumented care. Ms. Clutterbuck recommended that Harris Health create a plan that would address its needs and help shape the narrative of a proposed replacement plan for the ACA. Mr. Hillier stated that he will present proposed alternatives to the ACA at the January 2017 Board meeting. Mr. Elvin Franklin, Jr. requested that Mr. Hillier examine how Harris Health may receive reimbursement from the federal government for the provision of healthcare to undocumented patients. Mr. Hillier reported that the Socioeconomic Risk Adjustment for Hospital Readmissions Program was included in the 21st Century Cures legislation that is currently under consideration by Congress. He explained that this program is important for hospitals because it will allow Medicare to take patients' socioeconomic risk factors into account when calculating financial penalties for hospital readmission rates.

#### **VI. Discussion and Possible Action Regarding the Appointment of Members to the Harris Health System Ad Hoc – Nominating Committee**

Mr. Franklin announced that he appointed Mr. Lawrence FINDER as Chair of the Ad Hoc - Nominating Committee. He requested that Ms. Graebner, Ms. Daisy Stiner, and Dr. Johnson also be appointed to the committee. Ms. Graebner, Ms. Daisy Stiner, and Dr. Johnson accepted their appointments.

#### **VII. Consideration of Approval of Recommendations and Acceptance of Consent Agenda Items**

##### **Motion 16.12-103**

Moved by Ms. Daisy Stiner, seconded by Dr. Ewan Johnson, and passed that the Board approve agenda items VII.A(1)a. through VII.A(1)ll. and VII.A(1)nn. through VII.A(1)yy.

##### **A. Items Related to Purchasing**

###### **A(1). Consideration of Purchasing Recommendations Requiring Board Approval**

- a. approve the third of four (4) renewal options for GE Healthcare to provide maintenance services for radiological imaging equipment in the estimated amount of \$4,478,696 for the term December 19, 2016 through December 18, 2017.
- b. approve purchase on the basis of product standardization for Hill-Rom Company, Inc. [PP-MM-195] to provide patient beds, mattresses, and therapeutic surfaces in the amount of \$1,400,342 (expires February 2019).
- c. approve additional (budgeted) funds on the basis of sole source for Intuitive Surgical, Inc. to provide instruments and accessories for the pilot program for a robotic-assisted minimally invasive surgical system in the additional estimated (budgeted) amount of \$1,087,392 for instruments and accessories (Board previously approved (maintenance only) funds in the amount of \$149,000).
- d. approve purchase on the basis of best contract for Medtronic f/k/a Covidien Sales LLC [PP-MM-262] to provide intensive care ventilators in the amount of \$810,000.

- e. approve the third of four (4) renewal options for Crothall Facilities Management, Inc. to provide maintenance services for biomedical equipment in the estimated amount of \$533,530 for the term December 20, 2016 through December 19, 2017.
- f. approve the third of four (4) renewal options for Fort Bend Mechanical, Ltd. (Primary) and Highlights Electrical (Secondary) to provide job order contracting for electrical and/or electrical-related projects in the estimated multi-vendor amount of \$400,000 for the term January 13, 2017 through January 12, 2018.
- g. approve the third of four (4) renewal options for Fort Bend Mechanical, Ltd. (Primary) and Lange Mechanical Services, L.P. (Secondary) to provide job order contracting for HVAC and/or HVAC-related projects in the estimated multi-vendor amount of \$400,000 for the term January 13, 2017 through January 12, 2018.
- h. approve purchase on the basis of product standardization for GE Healthcare [PP-IM-268] to provide mobile C-arms at Ben Taub Hospital in the amount of \$389,172.
- i. approve purchase on the basis of lowest-priced contract for GE Healthcare [PP-IM-266] to provide one (1) general radiography / fluoroscopy unit at Ben Taub Hospital in the amount of \$375,015.
- j. approve award on the basis of best proposal meeting requirements for Integra Life Sciences to provide an ultrasonic tissue ablation system at Ben Taub Hospital in the estimated amount of \$300,842 (\$176,274 for equipment / \$124,568 for consumables) for a one-year initial term with four (4) one-year renewal options.
- k. approve purchase on the basis of lowest-priced contract for Draeger Medical, Inc. [PP-MM-263] to provide nine (9) neonatal ventilators for Ben Taub and Lyndon B. Johnson Hospitals in the amount of \$234,484.
- l. approve purchase on the basis of single-source contract for Medtronic USA, Inc. [PP-OR-1238] to provide seventeen (17) electrosurgical units for Ben Taub and Lyndon B. Johnson Hospitals in the amount of \$233,759.
- m. approve purchase on the basis of best contract for GE Healthcare [PP-IM-266] to provide a general radiography and fluoroscopy system for Ben Taub Hospital in the amount of \$275,055.
- n. approve purchase on the basis of best contract for Carestream Health, Inc. [PP-IM-299] to provide a general radiography and fluoroscopy unit for Ben Taub Hospital in the amount of \$136,912.
- o. approve purchase on the basis of lowest-priced contract for Sunoptic Technologies LLC through Symmetry Surgical Inc. [PP-OR-1240] to provide surgical headlights in the amount of \$116,505.
- p. approve provision for Harris County to transfer medical equipment to Harris Health System for sale, disposal, or destruction in the (revenue) amount of \$10 for a term effective upon execution of the Agreement until terminated.

- q. approve purchase for the American Academy of Pediatrics to provide a neonatal intensive care unit designation assessment in the amount of \$12,000 for the term January 1, 2017 through December 31, 2017 with one-year renewal options.
- r. approve renewal for the City of Houston to provide professional development training and other training resources for Harris Health System employees in the estimated amount of \$40,000 for the term January 6, 2017 through January 5, 2018.
- s. approve provision for the University of Houston, for the benefit of the Hilton-University of Houston, to provide collaborative learning events in the estimated amount of \$90,000 for a one-year initial term with two (2) one-year renewal options.
- t. approve first-year funding on the basis of single-source ASCEND contract for Georgia-Pacific Consumer Products LP North American Commercial Business [AS-FA-557] to provide paper towels and tissues in the estimated amount of \$644,423 for the term October 1, 2016 through September 30, 2017.
- u. approve first-year funding on the basis of best contracts for B. Braun Medical Inc. [PP-NS-790] [Items 1-3] (\$7,900); Becton, Dickinson and Company [PP-NS-789] [Items 4-14] (\$153,309); and Smiths Medical ASD, Inc. [PP-NS-791] [Items 15-21] (\$472,066) (all through Cardinal Health) to provide safety IV catheters in the estimated multi-vendor amount of \$633,275 for the term October 1, 2016 through September 30, 2017.
- v. approve purchase on the basis of sole source for Cook Medical Inc. to provide drug-eluting peripheral stents in the estimated amount of \$300,000 for the term January 1, 2017 through December 31, 2017.
- w. approve additional (budgeted) funds for St. Jude Medical Inc. to provide cardiac rhythm management products and devices in the additional (budgeted) amount of \$395,937 (Board previously approved funds in the amount of \$1,104,063) for a one-year initial term with four (4) one-year renewal options.
- x. approve first-year funding on the basis of single-source ASCEND contract for Ecolab, Inc. [AS-NS-849] through Cardinal Health to provide soaps, lotions, and waterless hand rinses in the estimated amount of \$299,464 for the term October 1, 2016 through September 30, 2017.
- y. approve second-year funding for the GPO contracts for Ossur Americas, Inc. [PP-NS-910] (\$2,901); S2S Global [PP-S2-001N] (\$3,869); and DJO Global [PP-NS-908] (\$251,965) to provide orthopedic soft goods in the estimated multi-vendor amount of \$258,735 for the term December 1, 2016 through November 30, 2017.
- z. approve first-year funding on the basis of single-source ASCEND contract for Pitt Plastics, Inc. [AS-FA-445] through W.W. Grainger Inc. to provide can liners in the estimated amount of \$218,960 for the term August 1, 2016 through July 31, 2017.
- aa. approve first-year funding on the basis of single-source ASCEND contract for Medegen Medical Products, LLC [AS-NS-838] through Cardinal Health to provide patient bedside products in the estimated amount of \$208,178 for the term July 1, 2016 through June 30, 2017.

- bb. approve first-year funding on the basis of single-source ASCEND contract for 3M Company [AS-MM-439] through Cardinal Health to provide sterilization assurance products in the estimated amount of \$180,578 for the term October 1, 2016 through September 30, 2017.
- cc. approve first-year funding on the basis of single-source ASCEND contract for Halyard Sales LLC [AS-MM-274] through Cardinal Health to provide sterilization wrap in the estimated amount of \$125,319 for the term September 1, 2016 through August 31, 2017.
- dd. approve first-year funding on the basis of single-source ASCEND contract for 3M Company [AS-NS-808] through Cardinal Health to provide tape products in the estimated amount of \$103,895 for the term February 1, 2016 through January 31, 2017.
- ee. approve an exemption from the competitive bid requirements for Baylor College of Medicine to provide psychiatric medical services for the Health Care for the Homeless Program in the (HRSA Grant Funds) amount of \$165,486 for the term January 1, 2017 through December 31, 2017.
- ff. approve the first of four (4) renewal options on the basis of sole source for the Texas Medical Center to provide parking for employees and medical staff of Harris Health System in the estimated amount of \$1,530,000 for the term January 1, 2017 through December 31, 2017.
- gg. approve awards on the basis of only proposals received meeting requirements for Cerk Security LLC (\$235,000) and Siemens Industry, Inc. (\$434,937) to provide repair, maintenance, and testing of the integrated security system at Harris Health System in the estimated multi-vendor amount of \$669,937 for a one-year initial term with four (4) one-year renewal options.
- hh. approve the fourth and final renewal option for Vizient Data Services, LLC to provide a benchmarking project in the estimated amount of \$575,000 for the term January 1, 2017 through December 31, 2017.
- ii. approve provision for Harris County to provide public funds investment services in the amount of \$30,616 for a one-year initial term with one-year renewal options.
- jj. approve an exemption from the competitive bid requirements for Baylor College of Medicine to provide primary medical services for the Health Care for the Homeless Program in the (HRSA Grant Funds) amount of \$302,500 for the term January 1, 2017 through December 31, 2017.
- kk. approve an exemption from the competitive bid requirements for Baylor College of Medicine to provide an HIV perinatal transmission prevention activities program in the (DSHS Perinatal Grant Funds) amount of \$126,526 for the term January 1, 2017 through December 31, 2017.
- ll. approve additional (budgeted) funds and an extension for Siemens Healthcare Diagnostics, Inc. [PP-LA-335] to provide chemistry and immunochemistry analyzers / integrated platform – automation, reagents, consumables, and service (VISTA) in the additional (budgeted) amount of \$1,233,086 for the term January 1,



2017 through June 31, 2017 (Board previously approved funds in the amount of \$12,664,211 for the term September 13, 2012 through December 31, 2016).

**mm. PULLED**

approve award on the basis of best proposal meeting requirements for Abbott Diabetes Care Sales Corporation to provide point-of-care glucometer analyzers, reagents, consumables, service, and training in the estimated Year 1 amount of \$1,236,014 for a one-year initial term with four (4) one-year renewal options.

- nn. approve additional (budgeted) funds and an extension for Ventana Medical Systems, Inc. to provide immunohistochemistry staining and special staining systems, including analyzers, reagents, consumables, and service in the additional (budgeted) amount of \$360,826 for the extended term January 1, 2017 through June 30, 2017 (Board previously approved funds in the amount of \$1,623,715 for the term October 1, 2014 through December 31, 2016).
- oo. approve the second of four (4) renewal options for Hologic, LP to provide a cytology liquid-based system, including analyzers, reagents, consumables, supplies, and service in the estimated amount of \$481,500 for the term January 12, 2017 through January 11, 2018.
- pp. approve the third of four (4) renewal options on the basis of sole source for Abbott Laboratories, Inc. to provide reagents and service for HIV antigen / antibody (Ag/Ab) combination assay systems in the estimated amount of \$583,320 for the term January 1, 2017 through December 31, 2017.
- qq. approve the third of four (4) renewal options for Laboratory Corporation of America to provide reference laboratory testing services in the estimated amount of \$3,263,649 for the term January 22, 2017 through January 21, 2018.
- rr. approve award on the basis of best proposal meeting requirements for Dunbar Armored, Inc. to provide armored car services in the estimated amount of \$161,969 for a one-year initial term with four (4) one-year renewal options.
- ss. approve the fourth and final renewal option for Grainger to supply and distribute janitorial supplies in the estimated amount of \$1,922,187 for the term January 1, 2017 through December 31, 2017.
- tt. approve termination to be effective December 31, 2016 of an Agreement in the estimated amount of \$225,000 between the Metropolitan Transit Authority of Harris County, Texas and Harris Health System to participate in the Metro Q<sup>®</sup> Fare Card Program for the term April 3, 2016 through April 2, 2017.
- uu. approve the fourth and final renewal option for York Risk Services Group to provide workers' compensation third-party administration and associated services in the estimated amount of \$158,562 for the term January 1, 2017 through December 31, 2017.
- vv. approve funding for Year Two of a three-year Agreement for SHI Government Solutions, Inc. [DIR-SDD-2503] to provide Microsoft Enterprise Agreement software maintenance in the estimated amount of \$1,857,138 for the term January 1, 2017 through December 31, 2017.

- ww. approve purchase on the basis of sole source for First DataBank, Inc. to provide FDB MedKnowledge™ license and maintenance in the estimated amount of \$239,869 for the term December 15, 2016 through December 14, 2017 with four (4) one-year renewal options.
- xx. approve purchase on the basis of only quote for General Datatech, L.P. [DIR-TSO-2542] to provide a Cisco technology refresh in the amount of \$164,731.
- yy. approve purchase on the basis of only quote for TSA, Inc. [DIR-TSO-2538] to provide Hewlett Packard hardware in the amount of \$146,712.
- zz. **PULLED**  
approve purchase for Shared Technologies, Inc. to provide telephone equipment in the estimated amount of \$119,854.

A(2). Transmittals of Completed Items **[For Informational Purposes]**

- a. transmittal of utilization of the contract for Lee Construction and Maintenance Company d/b/a LMC Corporation (Primary); Horizon International Group, LLC (Secondary); and J.T. Vaughn Construction, LLC (Tertiary) to provide job order contracting for small and large construction and/or construction-related projects in the estimated multi-vendor amount of \$99,999 for the term November 1, 2016 through January 31, 2017.
- b. transmittal of purchase on the basis of best contract for FUJIFILM SonoSite, Inc. [PP-IM-317] to provide a portable ultrasound for Ben Taub Hospital in the amount of \$99,999.
- c. transmittal of utilization of the contract for Ybarra's Real Estate Services, LLC d/b/a Millennium Contractors and Drywall to provide painting services and related work for Harris County in the estimated amount of \$85,000 for the term October 14, 2016 through February 28, 2017.
- d. transmittal of purchase on the basis of best contract for Stryker Sales Corporation [PP-OR-1310] to provide orthopedic power tools and accessories in the amount of \$62,715.
- e. transmittal of purchase for St. Jude Medical S.C., Inc. to provide preventative maintenance and repair services for St. Jude medical equipment in the estimated amount of \$56,534 for the term December 6, 2016 through December 5, 2017 with two (2) one-year renewal options.
- f. transmittal of additional (budgeted) funds for In The Light / Coating Systems Construction to repair and refurbish water tanks at Lyndon B. Johnson Hospital in the additional (budgeted) amount of \$51,607 (Board previously approved funds in the amount of \$123,794).
- g. transmittal of award on the basis of lowest-priced proposal meeting requirements for Sentact LLC to provide a best practices tracer template program in the estimated amount of \$50,420 for a one-year initial term with four (4) one-year renewal options.

- h. transmittal of award on the basis of only offer received for Brothers Produce, Inc. to provide produce in the estimated amount of \$89,500 for the term October 1, 2016 through January 31, 2017.
- i. transmittal of second-year funding for the GPO contracts for LeMaitre Vascular, Inc. [PP-CA-267] (\$11,327) and Boston Scientific Company [PP-CA-264] (\$76,155) to provide thrombectomy products in the estimated multi-vendor amount of \$87,482 for the term November 1, 2016 through October 31, 2017.
- j. transmittal of first-year funding on the basis of single-source ASCEND contract for Advance Medical Designs, Inc. [AS-OR-1302] through Cardinal Health to provide operating room equipment drapes in the estimated amount of \$61,911 for the term April 1, 2016 through March 31, 2017.
- k. transmittal of first-year funding on the basis of single-source ASCEND contract for 3M Company [AS-NS-806] through Cardinal Health to provide transparent dressings in the estimated amount of \$55,289 for the term February 1, 2016 through January 31, 2017.
- l. transmittal of first-year funding on the basis of single-source ASCEND contract for Medline Industries, Inc. [AS-NS-880] through Cardinal Health to provide personal care kits and components in the estimated amount of \$79,956 for the term August 1, 2016 through July 31, 2017.
- m. transmittal of award on the basis of only bid received for AMC Lifestyle Support to provide custom pressure garments in the estimated amount of \$97,594 for the term October 1, 2016 through September 30, 2017 with four (4) one-year renewal options.
- n. transmittal of exemption from the competitive bid requirements for Tony Essalih to provide legislative liaison services in the estimated amount of \$60,000 for a one-year initial term with one (1) one-year renewal option.
- o. transmittal of the second of four (4) renewal options for Fidelity Investments to provide 457(b) Plan administrative services in the amount of \$0 for the term December 15, 2016 through December 14, 2017.
- p. transmittal of the fourth and final renewal option for Marsh USA, Inc. to provide actuarial and general risk management services for the Harris Health System self-insured workers' compensation program in the estimated amount of \$50,500 for the term January 1, 2017 through December 31, 2017.
- q. transmittal of the fourth and final renewal option for Dunbar Armored, Inc. to provide armored car services for deposit processing and cash replenishment of automated parking collection units in the estimated amount of \$78,000 for the term January 1, 2017 through December 31, 2017.
- r. transmittal of purchase on the basis of low quote for Creative Office Furniture, Inc. to provide office furniture in the amount of \$92,983.
- s. transmittal of emergency purchase for GE Healthcare to repair a computerized tomography (CT) scanner at Ben Taub Hospital in the amount of \$53,000.
- t. transmittal of additional (budgeted) funds for Nuance Communications, Inc. to provide software license, maintenance, and support for the PowerScribe Voice

Recognition System in the estimated additional (budgeted) amount of \$54,400 for the term May 19, 2016 through May 18, 2017 (Board previously approved funds in the amount of \$137,889 for the term May 19, 2016 through May 18, 2017).

## VIII. Recommended Committee Approvals

### Motion 16.12-104

Moved by Ms. Carolyn Truesdell, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve agenda items VIII.1. through VIII.26.

1. Approval of the New Harris Health System Policy No. 7.38.01, Eligibility for Financial Assistance for Victims of Human Trafficking and the Health Care for the Homeless Program.

Agenda item VIII.1. was **REVISED** to include references to Attachments A and B within the body of the policy.

2. Approval to Enter Into the 20th Lease Year with the City of Pasadena for the Strawberry Health Center Located at 927 E. Shaw Road, Pasadena, Texas 77506 at a Monthly Rate Not to Exceed \$10,969.57 (\$131,634.84/Yr.) for the Term March 1, 2017 Through February 28, 2018.
3. Approval to Enter Into the 7th Lease Year with Pasadena Realty Partners, LLC for the Pasadena Pediatric and Adolescent Health Center Located at 3925 Fairmont Parkway, Pasadena, Texas 77504 at a Monthly Rate of \$27,241.59 (\$326,899.10/Yr.) for the Term March 1, 2017 Through February 28, 2018.
4. Approval to Enter Into the 4th Lease Year with Monroe Casco, Ltd. for the Monroe Clinic Located at 8539 Gulf Freeway, Houston, Texas 77017 at a Monthly Rate of \$14,393.10 (\$172,717.20/Yr.) for the Term January 1, 2017 Through December 31, 2017.
5. Approval to Enter Into the 4th Lease Year with Benjamin Wu for the Sunset Heights Clinic Located at 1623 Airline, Houston, Texas 77009 at a Monthly Rate of \$9,253.12 (\$111,037.44/Yr.) for the Term April 1, 2017 Through March 31, 2018.
6. Approval to Enter Into the 4th Lease Year with the Warehouse Associates Corporate Centre Kirby Phase II, Ltd. for the Pharmacy Central Fill Located at 9230 Kirby Drive, Houston, Texas 77054 at a Monthly Rate of \$27,632.95 (\$331,595.40/Yr.) for the Term June 1, 2017 Through May 31, 2018.
7. Approval to Enter Into the 2nd Lease Year with Warehouse Associates Corporate Centre Kirby III, Ltd. for the Office and Warehouse Space Located at 9240-9250 Kirby Drive, Houston, Texas 77054 at a Monthly Rate of \$216,216.64 (\$2,594,599.72/Yr.) for the Term January 1, 2017 Through December 31, 2017.
8. Approval to Enter Into the 3rd Lease Year with Houston Business Development, Inc. for the Dental Center Located at 5220-5250 Griggs Road, Houston, Texas 77021 at a Monthly Rate of \$14,313.69 (\$171,764.28/Yr.) for the Term February 1, 2017 Through January 31, 2018.

9. Approval to Enter Into the 2nd Lease Year with 5516 Lockwood LLC for the C.E. Odom Pediatric and Adolescent Health Center Located at 5516 Lockwood Drive, Houston, Texas 77026 at a Monthly Rate of \$15,637.40 (\$187,648.80/Yr.) for the Term December 1, 2016 Through November 30, 2017.
10. Approval to Amend a Lease Agreement Between Community Health Choice, Inc. and SLS-South Loop, LLC to Add 11,378 Square Feet to the Existing Lease Space Located at 2636 South Loop, Houston, Texas 77054 at a Monthly Rate of \$17,067.00 (\$204,804/Yr.) Plus Parking Expenses Through the Current Lease Expiration Date of July 31, 2018.
11. Approval to Transfer Funds in the Amount of \$8,515,160 for Fiscal Year 2017 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Services Required to Transition Ben Taub Hospital to the Thermal Energy Corporation for Steam and Chilled Water Services.
12. Approval to Transfer Funds in the Amount of \$455,255.44 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Related Services Required for the Relocation of the Ben Taub Hospital Specialty Clinics.
13. Approval to Convey to Verizon Wireless a Non-Exclusive Utility Easement and Right-of-Way at Ben Taub Hospital, 1504 Ben Taub Loop, Houston, Harris County, Texas 77030.

Agenda item VIII.13. was **REVISED** to include the information that consideration in the amount of \$1 was offered for the BTH Easement Agreement.

14. Approval to Convey to Verizon Wireless a Non-Exclusive Utility Easement and Right-of-Way at Lyndon B. Johnson Hospital, 5656 Kelley Street, Houston, Harris County, Texas 77026.

Agenda item VIII.14. was **REVISED** to include the information that consideration in the amount of \$1 was offered for the LBJH Easement Agreement.

15. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the University of Houston (Bachelor in Business Administration Program).
16. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas MD Anderson Cancer Center (Education Experience – Hematology/Medical Oncology Fellowship Certification Program).
17. Approval to Ratify an Agreement Between Harris County Hospital District d/b/a Harris Health System and Charles Henley to Provide Consulting Services and Program Evaluation Services for a Pilot Project Funded by Harris County Public Health and Environmental Services (HCPHES) with Funds from the Ryan White HIV/AIDS Treatment Extension Act Part A, to Assess the Feasibility of a Retention in Care Intervention for HIV-Positive Patients of Harris Health System for the Term November 15, 2016 Through February 28, 2017.

18. Approval of a Point of Entry Agreement Between Harris County Hospital District d/b/a Harris Health System and the Montrose Center to Develop a Continuum of HIV/AIDS Treatment and Care for Persons Living with HIV/AIDS (PLWHA) for the Term March 1, 2017 Through February 28, 2018.
19. Approval of a Point of Entry Agreement Between Harris County Hospital District d/b/a Harris Health System and the City of Houston Health Department Bureau of HIV/STD and Viral Hepatitis Prevention to Provide a Service Linkage Program for HIV-Positive Clients Who Are Identified as “Out of Care” for the Term December 1, 2016 Through August 31, 2021.
20. Approval to Renew a Grant Award From the United States Department of Health and Human Services Administration (HRSA) to Harris County Hospital District d/b/a Harris Health System in an Amount Not Less Than \$600,000, Funded Under the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C, to Provide Early Intervention Primary Medical Care to HIV-Positive Patients of Harris Health System for the Term January 1, 2017 Through December 31, 2017.
21. Approval to Renew an Agreement Between the Texas Department of State Health Services (DSHS) and Harris County Hospital District d/b/a Harris Health System to Provide an HIV Transmission Prevention Program Throughout the State of Texas for the Term January 1, 2017 Through December 31, 2017.
22. Approval to Renew a Grant Award from the City of Houston Health Department Bureau of HIV/STD and Viral Hepatitis Prevention to Harris County Hospital District d/b/a Harris Health System in an Amount Not Less Than \$300,000, Funded by the Centers for Disease and Prevention, to Provide Routine HIV Testing at Harris Health System Medical Care and Treatment Facilities for the Term January 1, 2017 Through December 31, 2017.
23. Approval of a Grant Award in the Amount of \$29,400 from the Harris County Hospital District Foundation and the Houston Livestock Show and Rodeo Awarded to Harris County Hospital District d/b/a Harris Health System for the 2017 Shattered Dreams Program.
24. Approval of a Grant Award in the Amount of \$6,000 from the Harris County Hospital District Foundation’s Small Grants Committee Awarded to Harris County Hospital District d/b/a Harris Health System for the 2017 American Leadership Forum.
25. Approval of a Subcontract Agreement for Grant Funding From the Group Health Research Institute and The University of Texas Health Science Center at Houston Awarded to Harris County Hospital District d/b/a Harris Health System to Participate in an Opioid Research Project for the Term January 1, 2017 Through March 31, 2017.
26. Approval of an Agreement Between the National Disaster Medical System (NDMS) and Harris County Hospital District d/b/a Harris Health System for a Five-Year Term.

*{End of Consent Agenda}*

## **IX. Board Review and Action Items**

### **A. Action Items Related to the Budget & Finance Committee**

#### **Motion 16.12-105**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item IX.A.1.

1. Approval of Purchase as an Exception to the Harris Health System Purchasing Manual Bid Requirements for Pharmaceutical Strategies Group, LLC Through Texas Association of Community Health Plans (TACHP) to Provide a Pharmacy Benefit Management Compliance Audit for Community Health Choice, Inc. in the Estimated Amount of \$242,963 for a One-Year Initial Term with Continuous One-Year Renewal Options Until Terminated by Either Party.

#### **Motion 16.12-106**

Moved by Ms. Anne Clutterbuck, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve agenda item IX.A.2.

2. Approval of an Amendment to the Harris Health System Investment Policy Exhibit "A" List of Approved Banks, Brokers/Dealers, Money Market Funds and Investment Pools for Investment of Harris Health System Funds.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented an amendment to the Harris Health System Investment Policy. He explained that Exhibit "A", the approved list of banks, broker/dealers, money market funds, and investment pools, revised the name of one of the broker/dealers from BOSC, Inc. to BOK Financial Securities, Inc. A copy of the investment policy is available in the permanent record.

### **B. Action Item Related to the Planning & Operations Committee**

#### **Motion 16.12-107**

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item IX.B.1.

1. Approval to Ratify an Amendment to the Salary Reimbursement Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas MD Anderson Cancer Center and to Accept Additional Grant Funding in the Amount of \$88,153.10 for the Term July 1, 2015 Through June 30, 2017.

### **C. Miscellaneous Action Items**

#### **Motion 16.12-108**

Moved by Ms. Anne Clutterbuck, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve agenda items IX.C.1. and IX.C.2.

1. Approval of the Patient Transfer Agreement Between Harris County Hospital District d/b/a Harris Health System and the Ambulatory Surgical Center at LBJ.
2. Approval of the Letter of Agreement for the Provision of Services to the Ambulatory Surgical Center by Harris County Hospital District d/b/a Harris Health System.

Mr. Matthew Reeder, Administrator, ASC at LBJ, and Dr. Glorimar Medina-Rivera, Medical Director, ASC at LBJ, presented the Patient Transfer Agreement and the Letter of Agreement. Ms. Clutterbuck clarified that the Transfer Agreement applies to the utilization of patient transport vehicles and that it does not apply to emergency medical service vehicles. Copies of the Agreements are available in the permanent record.

**Motion 16.12-112 (Agenda Items IX.C.3. through IX.C.7. were taken out of order)**

Moved by Ms. Carol Graebner, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda items IX.C.3., and IX.C.5. through IX.C.7., subject to the revisions proposed by the Harris County Attorney's Office and subject to the amendment of the Community Health Choice, Inc. Bylaws to mirror the Bylaws of Community Health Choice Texas, Inc.

3. Approval of the Intercompany Management and Administrative Services Agreement Between Community Health Choice, Inc. and Community Health Choice Texas, Inc.
4. **PULLED**  
Consideration of Approval of the Intercompany Management and Administrative Services Agreement.
5. Approval of the Assumption and Assignment Agreement to Move Certain Membership, Related Assets and Liabilities from Community Health Choice, Inc. to Community Health Choice Texas, Inc.
6. Approval of the Novation Agreement Transferring Community Health Choice, Inc.'s Ownership, Title and Obligations to Community Health Choice Texas, Inc.
7. Approval of the Provider Network Services Agreement.

**XI. Key Performance Reports**

**A. Committee Reports**

**1. Joint Conference Committee**

**Motion 16.12-109**

Moved by Ms. Anne Clutterbuck, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve agenda item XI.A.1.a.

- a. Acceptance of the Medical Executive Board Report for November 2016.

Dr. Maya Suresh, Chair, Medical Executive Board, presented the November 2016 Medical Executive Board Report. She announced that Dr. David Robinson, Chief of Emergency Services, LBJH, will become the Chair of the Medical Executive Board, effective January 1,



2017, and that Dr. Joseph Garcia-Prats, Chief of Neonatology, BTH, was elected as Vice-Chair of the Medical Executive Board. Dr. Suresh stated that the medical staff retreat will be held December 6, 2017 from 5:00 p.m. to 7:00 p.m. at the Houston Marriott at the Texas Medical Center. She stated that Dr. Ericka Brown, Executive Vice President and Administrator, BTH, announced that BTH will collaborate with the Harris County Sheriff's Office to develop and streamline hospital policies regarding active shooters. Dr. Suresh reported that the Quality Review Council is being revised to include representatives from nursing, administration, chiefs of service, and ancillary services. She stated that Dr. Carmel Dyer, Chief of Staff, LBJH, recommended that compassionate dialysis be renamed palliative dialysis to comply with University Healthcare Consortium coding requirements. Ms. Truesdell and Ms. Daisy Stiner thanked Dr. Suresh for her hard work and service during her tenure as the Chair of the Medical Executive Board. A copy of the report is available in the permanent record.

### **Motion 16.12-110**

Moved by Ms. Anne Clutterbuck, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve agenda item XI.A.1.b.

- b. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (November 2016).

Dr. Suresh presented the November 2016 credentialing changes for the members of the Harris Health System medical staff. She reported that there were fifteen (15) initial applications, eighty (80) reappointments, twenty-nine (29) resignations, and twenty-three (23) change/add privileges. Ms. Truesdell requested further information regarding Dr. Robert Lee, who requested the removal of core oral and maxillofacial surgery procedures from his privileges. A copy of the report is available in the permanent record.

## **2. Performance Improvement and Patient Safety Committee**

- a. Review and Discussion Regarding Harris Health System Quality Executive Summary and Scorecard for November 2016.

Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, presented the Harris Health System Quality Executive Summary and Scorecard. He reported that Harris Health achieved the system-level benchmark regarding communication with nurses in September 2016 and he recognized Dr. Maureen Padilla, Senior Vice President and Chief Nursing Executive, and the Chief Nursing Officers at each Harris Health pavilion for the hard work and leadership that resulted in this achievement. Dr. Babber also noted the improvement in the patient satisfaction scores regarding courtesy of nurses from 60% in July 2016 to 92% in September 2016. He stated that this improvement is a testament to the concerted efforts and hard work of the medical staff, nursing staff, and ancillary staff.

Ms. Stiner inquired whether the lack of significant improvement in the Ambulatory Care Services (ACS) comprehensive adult diabetes care metrics is due to decreased patient compliance or to a breakdown in physician protocols. Discussion ensued. Ms. Clutterbuck inquired whether the Board can provide additional support to improve the diabetes care metrics. Dr. Babber stated that the reorganization of the Harris Health

quality scorecard and the system-wide implementation of quality and patient safety initiatives were critical to the improvements that have been realized and that the administrative leaders will collaborate to determine how the Board may provide further assistance. Dr. Brown stated that Harris Health needs more bilingual medical staff to conduct interdisciplinary rounding with patients and to properly educate patients regarding insulin and other pharmaceutical utilization. A copy of the report is available in the permanent record.

### **3. Budget and Finance Committee**

#### **Motion 16.12-111**

Moved by Ms. Carolyn Truesdell, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda item XI.A.3.a.

- a. Acceptance of the Harris Health System October 2016 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System October 2016 Financial Report. He reported that net patient revenue was \$1.3M less than budget for the month. Mr. Norby stated that expenses totaled \$117.8M and were 2.8% greater than budget. He explained that the increase in expenses was due to increased employee health claims and to \$1.5M in costs related to the refinancing of Harris Health's revenue bonds. Mr. Norby stated that Harris Health is on target to achieve an estimated budget shortfall of \$8.6M for Fiscal Year 2017. A copy of the report is available in the permanent record.

### **XII. Executive Session**

At 11:17 a.m., Mr. Franklin stated that the Board would enter into Executive Session under §161.032 of the Texas Health & Safety Code, the Texas Occupations Code Ann. §160.007, Texas Gov't Code Ann. §551.071, Texas Gov't Code §551.085, and Texas Gov't Code Ann. §551.074.

### **XIII. Reconvene**

At 1:52 p.m., Mr. Franklin reconvened the meeting and stated that no action was taken in Executive Session.

- A. Report by Senior Vice President of Corporate Compliance Regarding Compliance with Medicare, Medicaid, HIPAA and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations, pursuant to Section 161.032 of the Texas Health & Safety Code, and Possible Action Upon Return to Open Session.

No action was taken.

- B. Report by the Chief Medical Officer Regarding Quality of Medical and Health Care, pursuant to Texas Health & Safety Code Ann. §161.032 and Texas Occupations Code Ann. §160.007 to Receive Peer Review and/or Medical Committee Report in

connection with the Evaluation of the Quality of Medical and Health Care Services, and Possible Action Upon Return to Open Session.

No action was taken.

- C. Consultation with the County Attorney Relating to a Property Claim, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- D. Review and Discussion Regarding Strategies to Improve and Maximize Financial Performance and Budget Projections Under Provider Agreements, Network Relationships, and Other Strategic Means or Additional Lines of Business for Community Health Choice, Inc., Pursuant to Texas Gov't Code §551.085, and Possible Action Upon Return to Open Session.

No action was taken.

- E. Discussion Regarding Financial Planning Information Related to the Negotiation Between the Harris County Hospital District d/b/a Harris Health System and Affiliated Medical Services for the Arrangement or Provision of Medical Services, Pursuant to Texas Gov't Code Ann. §551.085, and Possible Action Regarding this Matter Upon Return to Open Session.

No action was taken.

- F. Discussion of Personnel Matters Regarding the Vice President, Human Resources, Pursuant to Texas Gov't Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

#### **XIV. Adjournment**

Moved by Ms. Daisy Stiner, seconded by Ms. Carol Graebner, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:54 p.m.

I certify that the foregoing are the Minutes of the meeting of the Board of Trustees of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on December 1, 2016.

Respectfully submitted,

A handwritten signature in black ink, reading "Elvin Franklin, Jr." with a stylized flourish at the end.

Mr. Elvin Franklin, Jr., Chair  
Board of Trustees

A handwritten signature in blue ink, reading "Anne Clutterbuck" in a cursive style.

Ms. Anne Clutterbuck, Secretary  
Board of Trustees

Recorded by Kenya Shields